Assembly Committee on Transportation

Date: <u>[-19-99</u> Meeting Type: Location: <u>225 NW, Capitol</u>	<u>Organiza</u>	Himal	· · · · · · · · · · · · · · · · · · ·
Committee Member Rep. David Brandemuehl, Chair Rep. Jeff Stone Rep. Michael Huebsch Rep. Joseph Leibham Rep. Steve Kestell Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow	Present D D D D D D D D D D D D D D D D D D	Absent	Excused D D D D D D D D D D D D D D D D D D
Totals:	<u> </u>	***************************************	<u>le</u>
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Assembly Committee on Transportation

Date: 2-11-99 Meeting Type: Location: 417N, Capital	Public	hearing	
Committee Member Rep. David Brandemuehl, Chair Rep. Jeff Stone Rep. Michael Huebsch Rep. Joseph Leibham Rep. Steve Kestell Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow	Present D D D D D D D D D D D D D D D D D D D	Absent	Excused
Totals:	<u>14</u>		

Date: <u>Fcb. 25, 1999</u> Me Location: <i>Morth Hea</i>	eting Type:	Joint	Briefing	<u></u>
Committee Member Rep. David Brandemuehl, Rep. Jeff Stone Rep. Michael Huebsch Rep. Eugene Hahn Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Steve Kestell Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow Rep. Gary Sherman	, Chair	Present To Table Table To Tabl	Absent Control	Excused
	Totals:		AT 6	-
	Sheri Krause	e, Committe	ee Clerk	

Date: <u>2/25/99</u> Mee Location: <u>925 NW</u> ,	eting Type:	Public e	Heari	ny_
Committee Member Rep. David Brandemuehl, Rep. Jeff Stone Rep. Michael Huebsch Rep. Eugene Hahn Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Steve Kestell Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow Rep. Gary Sherman	Chair	Present ANN ANN ANN ANN ANN ANN ANN ANN ANN AN	Absent	
	Totals:	<u>-17</u>		
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	Sheri Krause	e, Committe	ee Clerk	

Vote Record

Date: 2-35-99 Moved by: Sude V AB: SB: AJR: SJR: A: SR:		Seconded I Clearinghor Appointme Other:	use Rule: _	Towns	end
A/S Amdt: A/S Amdt: A/S Sub Amdt: A/S Amdt: A/S Amdt: Be recommended for:	to A/S Amdt: to A/S Sub Amat: to A/S Amdt:	Indefir	nite Postpone	to A/S Sub An	ndt:
Passage Introduction Adoption Rejection		Nonce	g urrence oncurrence mation		
Committee Member Rep. David Brandemuehl, Core, Jeff Stone Rep. Michael Huebsch Rep. Eugene Hahn Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Steve Kestell Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Gary Sherman	hair Totals:			Absent	Not Voting
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Vote Record

Date: 2-25-99 Moved by: 1005 AB: SB: AJR: SJR: A: SR:		Seconded k Clearinghou Appointmer Other:	use Rule:	Young	
A/S Amdt: A/S Amdt: A/S Sub Amdt: A/S Amdt: A/S Amdt: Be recommended for: Passage Introduction Adoption Rejection	to A/S Amdt: to A/S Sub Amdt: to A/S Amdt:	Tabling Concu	irrence ncurrence	to A/S Sub An	ndt:
Committee Member Rep. David Brandemuehl, C Rep. Jeff Stone Rep. Michael Huebsch Rep. Eugene Hahn Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Steve Kestell Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Gary Sherman	Chair			Absent	Not Voting
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Date: <u>4-1-99</u> Mee	eting Type:	Public	hearing	B. Commence of the commence of
Location: <u>4/1 N, Sta</u>	ul Cap.			
Committee Member Rep. David Brandemuehl, Rep. Jeff Stone Rep. Eugene Hahn Rep. Michael Huebsch Rep. Steve Kestell Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink	, Chair	Present D D D D D D D D D D D D D D D D D D D	Absent Control Contro	
Rep. John Steinblink Rep. Larry Balow				
Rep. Gary Sherman				
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	Sheri Krause	e, Commin	iee Cierk	

Date: <u>4-22-99</u> Me	eting Type:	Public	. hearing	1
Location: 4/7 No	brth, la	<u> </u>		·
Committee Member		<u>Present</u>	<u>Absent</u>	Excused
Rep. David Brandemuehl,	, Chair			
Rep. Jeff Stone				
Rep. Eugene Hahn				
Rep. Michael Huebsch				
Rep. Steve Kestell				
Rep. Joseph Leibham				
Rep. Jerry Petrowski				
Rep. Scott Suder				
Rep. John Townsend				
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Rep. Donald Hasenohrl				
Rep. Barbara Gronemus				
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Rep. Leon Young		V		
Rep. John Steinbrink				
Rep. Larry Balow				
Rep. Gary Sherman				
	Totals:	15		/
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	Sheri Krause	e, Committ	ee Clerk	

Date: 10-12-99 Meeting Type: Tubic hearing Location: 201 SE, State Capital	
Committee Member Present Absent Excuse Rep. David Brandemuehl, Chair Image: Committee Member Image: Committee Member Image: Committee Member Image: Committee Member Rep. Jeff Stone Image: Committee Member <td><u>ed</u></td>	<u>ed</u>
Totals:	<i>#</i>
Sheri Krause, Committee Clerk	_

Date:Mee _ocation:YIT North	eting Type: h, State	Public Capit	c hearin	4
Committee Member Rep. David Brandemuehl, Rep. Jeff Stone Rep. Eugene Hahn Rep. Michael Huebsch Rep. Steve Kestell Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner	,	Present D D D D D D D D D D D D D D D D D D D	Absent	Excused
Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow Rep. Gary Sherman				
	Totals:	16		
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	Sheri Krause	e, Committ	ee Clerk	

Date: <u> </u>	eting Type:	Brief	ng	
Committee Member Rep. David Brandemuehl, Rep. Jeff Stone Rep. Eugene Hahn Rep. Michael Huebsch Rep. Steve Kestell Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow Rep. Gary Sherman	. Chair	Present INDIVITATION DIVITATION CONTRACTOR OF THE PRESENT OF THE	Absent	Excused
	Totals:	16		
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	Sheri Krause	e, Committ	ee Clerk	

Date: 12-2-99 Mee Location: 417 N, State	eting Type: - Capit	_Exec	Sessia	· Rubic hea
Committee Member Rep. David Brandemuehl, Rep. Jeff Stone Rep. Eugene Hahn Rep. Michael Huebsch Rep. Steve Kestell Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow Rep. Gary Sherman	Chair	Present D D D D D D D D D D D D D D D D D D D	Absent	
	Totals:	15 7		2
	Sheri Kraus	e, Commit	tee Clerk	

Date: 1 13 00 Mee Location: 201 SE, State	eting Type:	Briefing	J Public	heaving
Committee Member Rep. David Brandemuehl, Rep. Jeff Stone Rep. Eugene Hahn Rep. Michael Huebsch Rep. Steve Kestell Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow Rep. Gary Sherman	Chair	Present D D D D D D D D D D D D D D D D D D D	Absent	Excused
	Totals:	17	September 1997 (September 1997)	
	Shert Krause	, ————————————————————————————————————	ree Clerk	

Assembly Subcommittee on Review of Trans 233

Date: 1(27(60 Me Location: 225 NW, S	eting Type State (epitol	Mecting	
Committee Member		<u>Present</u>	<u>Absent</u>	Excused
Rep. David Brandemuehl	, Chair			
Rep. Jeff Stone				
Rep. Michael Huebsch		\square		
Rep. Joseph Leibham				
Rep. Julie Lassa				
Rep. John Steinbrink				
Rep. Gary Sherman				
	Totals			and the state of t

Assembly Subcommittee on Review of Trans 233

Date: 217 65 Meeting Type Location: 225 NW State	pe: Open meeting
Location. 27 1/10 Stare	LARTE LANGE
Committee Member	<u>Present</u> <u>Absent</u> Excused
Rep. David Brandemuehl, Chair	
Rep. Jeff Stone	
Rep. Michael Huebsch	
Rep. Joseph Leibham	
Rep. Julie Lassa	
Rep. John Steinbrink	
Rep. Gary Sherman	
Totals	: 4

Assembly Subcommittee on Review of Trans 233

Date: 2/24/00 Meeting Type:	44004		
Location: 421 Hill Farms			
Committee Member Rep. David Brandemuehl, Chair Rep. Jeff Stone Rep. Michael Huebsch Rep. Joseph Leibham Rep. Julie Lassa Rep. John Steinbrink Rep. Gary Sherman	Present	Absent	Excused
Totals:	<u> </u>		

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Date:	2/24/00	Meeting Type:	Public	hearin	9
Locati	on:				
Rep. Rep. Rep. Rep. Rep. Rep. Rep. Rep.	mittee Member David Brandem Jeff Stone Eugene Hahn Michael Huebsc Steve Kestell Joseph Leibham Jerry Petrowski Scott Suder John Townsend Julie Lassa Donald Hasenol Barbara Gronen Robert Turner Leon Young John Steinbrink Larry Balow Gary Sherman	h nrl	Present \(\bar{\bar{\bar{\bar{\bar{\bar{\bar{	Absent	
		Totals:	14		3
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		Sheri Krause	e, Committ	ee Clerk	

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Location: $360 56$,	State (a	P		
Committee Member		<u>Present</u>	<u>Absent</u>	Excused
Rep. David Brandemuehl,	Chair			
Rep. Jeff Stone				
Rep. Eugene Hahn				
Rep. Michael Huebsch				
Rep. Steve Kestell				
Rep. Joseph Leibham				
Rep. Jerry Petrowski				
Rep. Scott Suder				
Rep. John Townsend		ď		
Rep. Julie Lassa				
Rep. Donald Hasenohrl				
Rep. Barbara Gronemus		H		
Rep. Robert Turner		A		
Rep. Leon Young			$\overline{\Box}$	Ī.
Rep. John Steinbrink				一
Rep. Larry Balow	· · · · · · · · · · · · · · · · · · ·			Ħ
Rep. Gary Sherman	•			ቨ
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	Sheri Krause	e, Committ	ee Clerk	

Assembly Committee on Transportation

Date: 3/16/2000 Mee Location: Room 417 Non	eting Type:	Public TR. CARLID	URMAIN C	
Committee Member Rep. David Brandemuehl, Rep. Jeff Stone Rep. Eugene Hahn Rep. Michael Huebsch Rep. Steve Kestell Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow Rep. Gary Sherman	Chair	Present NAMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMMM	Absent	Excused
	Totals:	17		0
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Date: <u>3-35-00</u> Me	eeting Type:	Public K	learing	
Location: <u>417 N, State (</u>	Capital		σ	
Committee Member Rep. David Brandemueh Rep. Jeff Stone Rep. Eugene Hahn Rep. Michael Huebsch Rep. Steve Kestell Rep. Joseph Leibham Rep. Jerry Petrowski Rep. Scott Suder Rep. John Townsend Rep. Julie Lassa Rep. Donald Hasenohrl Rep. Barbara Gronemus Rep. Robert Turner Rep. Leon Young Rep. John Steinbrink Rep. Larry Balow Rep. Gary Sherman	II, Chair	Present O O O O O O O O O O O O O	Absent	Excused
	Totals:	20		******************************
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	Sheri Krause	e, Committ	ee Clerk	

Date: _	9/20/2000	Meeting	g Type:	Publich	Hearing	
Locatio	n:	lorth - GAR				
Rep. I Rep. I	nittee Memb David Brande eff Stone Jugene Hahn erry Petrowsk cott Suder ohn Townser Michael Huek oseph Leibho teve Kestell ulie Lassa arry Balow arbara Gron Onald Haser ohn Steinbrin obert Turner eon Young Gary Shermar	emus nohrl k	_	Present X X X X X X X X X	Absent	Excused

^{*}Unknown, Committee Clerk



DAVID BRANDEMUEHL

State Representative 49th Assembly District

TO:

Members, Assembly Transportation Committee

FROM:

Rep. David Brandemuehl, Chair

DATE:

May 25, 2000

RE:

Emergency Rule Extension

Attached is a copy of the Wisconsin Department of Transportation's request to JCRAR for an extension of emergency rule ch. Trans 4. A copy of the rule is attached as well. The rule relates to requiring the use of a fully allocated cost methodology when evaluating bids solicited for transit service in a competitive process, pursuant to §227.24(2)(am), Stats. I do not expect this request to be controversial, but I am passing it along so you have the information.

Transportation (Chair); Education; Highway Safety; Natural Resources; Urban & Local Affairs; Rustic Roads Board; Transportation Projects Commission

Office: P.O. Box 8952 • Madison, Wisconsin 53708-8952 • (608) 266-1170 • Rep.Brandemuehl@legis.state.wi.us

Home: 13081 Pine Road • Fennimore, Wisconsin 53809 • (608) 822-3776

Toll-Free: (888) 872-0049 • Fax: (608) 282-3649



Wisconsin Department of Transportation

www.dot.state.wi.us

Tommy G. Thompson Governor Terrence D. Mulcahy, P.E. Secretary

May 23, 2000

Office of General Counsel 4802 Sheboygan Ave., Rm. 115B P.O. Box 7910 Madison, WI 53707-7910

Telephone: 608-266-8810 FAX: 608-267-6734

E-Mail: ogc.exec@dot.state.wi.us

The Honorable Judy Robson Senate Chairman Joint Committee for Review of Administrative Rules 15 South, State Capitol Madison, Wisconsin 53702

The Honorable Glenn Grothman Assembly Chairman Joint Committee for Review of Administrative Rules Room 15 North, State Capitol Madison, Wisconsin 53702

RE: EMERGENCY RULE EXTENSION

Dear Senator Robson and Representative Grothman:

I am writing to request an extension for the Wisconsin Department of Transportation's emergency administrative rule ch. Trans 4, relating to requiring the use of a fully allocated cost methodology when evaluating bids solicited for transit service in a competitive process, pursuant to § 227.24(2)(am), Stats. The initial emergency rule was mandated by 1999 Wis. Act 9, and pursuant to that Act in s. 9150(2bm)(b), the Department was exempt from the finding of emergency requirement. The emergency rule expiration date is July 1, 2000.

Status of Permanent Rule. Based on testimony provided at the public hearing, the Department agreed to extend the written comment period another 30 days to address additional concerns expressed by persons attending the hearing, thereby necessitating this request for a sixty (60) day emergency rule extension. The Final Draft of the permanent rule is anticipated to be submitted for legislative committee review by June 5, 2000.

The extension of the emergency rule is necessary due to the lapse between its expiration date and the effective date of the permanent rule. Because of the unforeseen delay in submitting the rule for legislative committee review, it is also anticipated a second emergency rule extension request may be necessary. I am enclosing a copy of the emergency rule.

Please consider this request at your June meeting. A Department representative will attend the meeting. Please contact me at 267-3703 to confirm your schedule. I have also taken the liberty of sending courtesy copies of this request to both the Assembly and Senate Transportation Committees. Thank you for your cooperation.

Sincerely,

Julie A. Johnson

Paralegal

JAJ/dim

Enclosure

cc: The Honorable Fred Risser/President, Wisconsin State Senate

The Honorable Scott Jensen/Speaker, Wisconsin State Assembly

Senator Roger Breske

Representative David Brandemuehl

Mike Goetzman Alice Morehouse Ernie Wittwer

Linda Lovejoy Richard Martin

Gary Poulson

OFFICE OF THE SECRETARY

The Wisconsin Department of Transportation Adopts an Emergency Order to renumber TRANS 4.04(4)(b)4. and 5., and create TRANS 4.04(4)(b)4. and 6., relating to requiring the use of a fully allocated cost methodology when evaluating bids solicited for transit service in a competitive process.

ORDER ADOPTING EMERGENCY RULE

Analysis Prepared by the Wisconsin Department of Transportation

STATUTORY AUTHORITY: ss. 85.16(1), 85.20(3) and 227.11(2), Stats. **STATUTE INTERPRETED**: s. 85.20, Stats.

General Summary of Emergency Rule. Chapter Trans 4 establishes the Department's administrative interpretation of s. 85.20, Stats. and prescribes administrative policies and procedures for implementing the state urban public transit operating assistance program authorized under s. 85.20, Stats. 1999 Wis. Act 9, section 9150(2bm), requires the Department to adopt an emergency rule to amend Chapter Trans 4 by adding a section that requires that cost proposals submitted by a publicly owned transit system in response to a request for proposals issued by a public body for the procurement of transit services to be funded under the state urban transit operating assistance program must include an analysis of fully allocated costs. The analysis must include all of the publicly owned system's costs, including operating subsidies and capital grants. This analysis shall be the basis for evaluating costs when ranking proposals.

Pursuant to 1999 Wis. Act 9, section 9150(2bm)(b), the Department is not required to provide evidence that the rule is necessary for the preservation of the public peace, health, safety or welfare, and is not required to provide a finding of emergency.

<u>Initial Fiscal Estimate</u>. No fiscal effect is anticipated from the promulgation of this proposed rule.

<u>Initial Regulatory Flexibility Analysis</u>. This proposed rule has no significant impact on small businesses.

<u>Copies of Emergency Rule and Contact Person</u>. Copies of this emergency rule are available without cost upon request by writing to Richard A. Martin, Department of Transportation, Division of Transportation Investment Management, Bureau of Transit and Local Roads, 4802 Sheboygan Avenue, Room 933, P. O. Box 7913, Madison, WI 53707-7913, or by calling (608) 266-6812. Alternate formats of the proposed rule will be

provided to individuals at their request. Hearing-impaired individuals may contact the Department using TDD (608) 266-3351.

TEXT OF EMERGENCY RULE

Under the authority vested in the state of Wisconsin, department of transportation, by ss. 85.16(1), 85.20(3) and 227.11(2), Stats., the department of transportation hereby amends ch. Trans 4, Wisconsin Administrative Code, interpreting s. 85.20, Stats., relating to the use of fully allocated costs in the competitive bid process.

SECTION 1. Trans 4.04(4)(b)4. is renumbered Trans 4.04(4)(b)5.

SECTION 2. Trans 4.04(4)(b)4. is created to read:

Trans 4.04(4)(b)4. When a publicly owned mass transit system responds to a request for proposal issued by a local public body under s. Trans 4.04(4)(b)3., the cost proposal shall include an analysis of fully allocated costs that will be used as the basis for evaluating costs when ranking proposals. The analysis shall include all of the publicly owned system's costs measured in accordance with generally accepted accounting principles, regardless of whether these costs are otherwise paid for through other public financial assistance, including operating subsidies and capital grants. When the public body which owns the mass transit system has prepared a cost allocation plan in accordance with United States office of management and budget circular A-87, or OMB circular A-87, costs of the public body shall be allocated in accordance with that plan. When the public body which owns the mass transit system has not prepared a cost allocation plan in accordance with OMB circular A-87, costs which are allocable to the mass transit system shall be determined using the principles

outlined in OMB circular A-87. Expenses of the transit system shall be allocated to segments of service considered using the following categories:

a. Costs that depend on the number of vehicle hours operated, including particular operators salaries and fringe benefits.

b. Costs that depend on the number of vehicle miles traveled, including fuel costs, maintenance costs and maintenance personnel salaries and fringe benefits.

c. Costs that depend on the maximum number of vehicles that are in service during the day, including administrative and capital costs.

SECTION 3. Trans 4.04(4)(b)5. is renumbered Trans 4.04(4)(b)7.

SECTION 4. Trans 4.04(4)(b)6. is created to read:

Trans 4.04(4)(b)6. When a contract is awarded based on bids, the proposed costs shall be reduced by an allowance for operating and capital costs subsidized through other state and federal grants.

(END OF RULE TEXT)

Effective Date. This rule shall take effect upon publication in the official state newspaper as provided in s. 227.24(1)(c), Stats.

Signed at Madison, Wisconsin, this ____ day of December, 1999.

CHARLES H. THOMPSON

Secretary

Wisconsin Department of Transportation



DAVID BRANDEMUEHL

State Representative 49th Assembly District

TO:

Members, Assembly Transportation Committee

FROM:

Rep. David Brandemuehl, Chair

DATE:

May 25, 2000

RE:

Emergency Rule Extension

Attached is a copy of the Wisconsin Department of Transportation's request to JCRAR for an extension of emergency rule ch. Trans 4. A copy of the rule is attached as well. The rule relates to requiring the use of a fully allocated cost methodology when evaluating bids solicited for transit service in a competitive process, pursuant to §227.24(2)(am), Stats. I do not expect this request to be controversial, but I am passing it along so you have the information.

Home: 13081 Pine Road • Fennimore, Wisconsin 53809 • (608) 822-3776

Toll-Free: (888) 872-0049 • Fax: (608) 282-3649



Wisconsin Department of Transportation

www.dot.state.wi.us

Tommy G. Thompson Governor Terrence D. Mulcahy, P.E. Secretary

May 23, 2000

Office of General Counsel 4802 Sheboygan Ave., Rm. 115B P.O. Box 7910 Madison, WI 53707-7910

Telephone: 608-266-8810 FAX: 608-267-6734

E-Mail: ogc.exec@dot.state.wi.us

The Honorable Judy Robson Senate Chairman Joint Committee for Review of Administrative Rules 15 South, State Capitol Madison, Wisconsin 53702

The Honorable Glenn Grothman Assembly Chairman Joint Committee for Review of Administrative Rules Room 15 North, State Capitol Madison, Wisconsin 53702

RE: EMERGENCY RULE EXTENSION

Dear Senator Robson and Representative Grothman:

I am writing to request an extension for the Wisconsin Department of Transportation's emergency administrative rule ch. Trans 4, relating to requiring the use of a fully allocated cost methodology when evaluating bids solicited for transit service in a competitive process, pursuant to § 227.24(2)(am), Stats. The initial emergency rule was mandated by 1999 Wis. Act 9, and pursuant to that Act in s. 9150(2bm)(b), the Department was exempt from the finding of emergency requirement. The emergency rule expiration date is July 1, 2000.

Status of Permanent Rule. Based on testimony provided at the public hearing, the Department agreed to extend the written comment period another 30 days to address additional concerns expressed by persons attending the hearing, thereby necessitating this request for a sixty (60) day emergency rule extension. The Final Draft of the permanent rule is anticipated to be submitted for legislative committee review by June 5, 2000.

The extension of the emergency rule is necessary due to the lapse between its expiration date and the effective date of the permanent rule. Because of the unforeseen delay in submitting the rule for legislative committee review, it is also anticipated a second emergency rule extension request may be necessary. I am enclosing a copy of the emergency rule.

Please consider this request at your June meeting. A Department representative will attend the meeting. Please contact me at 267-3703 to confirm your schedule. I have also taken the liberty of sending courtesy copies of this request to both the Assembly and Senate Transportation Committees. Thank you for your cooperation.

Sincerely,

ulie A. Johnson لر

Paralegal

JAJ/dim

Enclosure

cc: The Honorable Fred Risser/President, Wisconsin State Senate
The Honorable Scott Jensen/Speaker, Wisconsin State Assembly
Senator Roger Breske

Representative David Brandemuehl

Mike Goetzman Alice Morehouse Ernie Wittwer Linda Lovejoy Richard Martin Gary Poulson

OFFICE OF THE SECRETARY

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ORDER ADOPTING EMERGENCY RULE

Analysis Prepared by the Wisconsin Department of Transportation

STATUTORY AUTHORITY: ss. 85.16(1), 85.20(3) and 227.11(2), Stats. **STATUTE INTERPRETED**: s. 85.20, Stats.

General Summary of Emergency Rule. Chapter Trans 4 establishes the Department's administrative interpretation of s. 85.20, Stats. and prescribes administrative policies and procedures for implementing the state urban public transit operating assistance program authorized under s. 85.20, Stats. 1999 Wis. Act 9, section 9150(2bm), requires the Department to adopt an emergency rule to amend Chapter Trans 4 by adding a section that requires that cost proposals submitted by a publicly owned transit system in response to a request for proposals issued by a public body for the procurement of transit services to be funded under the state urban transit operating assistance program must include an analysis of fully allocated costs. The analysis must include all of the publicly owned system's costs, including operating subsidies and capital grants. This analysis shall be the basis for evaluating costs when ranking proposals.

Pursuant to 1999 Wis. Act 9, section 9150(2bm)(b), the Department is not required to provide evidence that the rule is necessary for the preservation of the public peace, health, safety or welfare, and is not required to provide a finding of emergency.

<u>Initial Fiscal Estimate</u>. No fiscal effect is anticipated from the promulgation of this proposed rule.

<u>Initial Regulatory Flexibility Analysis</u>. This proposed rule has no significant impact on small businesses.

<u>Copies of Emergency Rule and Contact Person</u>. Copies of this emergency rule are available without cost upon request by writing to Richard A. Martin, Department of Transportation, Division of Transportation Investment Management, Bureau of Transit and Local Roads, 4802 Sheboygan Avenue, Room 933, P. O. Box 7913, Madison, WI 53707-7913, or by calling (608) 266-6812. Alternate formats of the proposed rule will be

provided to individuals at their request. Hearing-impaired individuals may contact the Department using TDD (608) 266-3351.

TEXT OF EMERGENCY RULE

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SECTION 1. Trans 4.04(4)(b)4. is renumbered Trans 4.04(4)(b)5.

SECTION 2. Trans 4.04(4)(b)4. is created to read:

Trans 4.04(4)(b)4. When a publicly owned mass transit system responds to a request for proposal issued by a local public body under s. Trans 4.04(4)(b)3., the cost proposal shall include an analysis of fully allocated costs that will be used as the basis for evaluating costs when ranking proposals. The analysis shall include all of the publicly owned system's costs measured in accordance with generally accepted accounting principles, regardless of whether these costs are otherwise paid for through other public financial assistance, including operating subsidies and capital grants. When the public body which owns the mass transit system has prepared a cost allocation plan in accordance with United States office of management and budget circular A-87, or OMB circular A-87, costs of the public body shall be allocated in accordance with that plan. When the public body which owns the mass transit system has not prepared a cost allocation plan in accordance with OMB circular A-87, costs which are allocable to the mass transit system shall be determined using the principles

outlined in OMB circular A-87. Expenses of the transit system shall be allocated to segments of service considered using the following categories:

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c. Costs that depend on the maximum number of vehicles that are in service during the day, including administrative and capital costs.

SECTION 3. Trans 4.04(4)(b)5. is renumbered Trans 4.04(4)(b)7.

SECTION 4. Trans 4.04(4)(b)6. is created to read:

Trans 4.04(4)(b)6. When a contract is awarded based on bids, the proposed costs shall be reduced by an allowance for operating and capital costs subsidized through other state and federal grants.

(END OF RULE TEXT)

<u>Effective Date</u>. This rule shall take effect upon publication in the official state newspaper as provided in s. 227.24(1)(c), Stats.

Signed at Madison, Wisconsin, this ____ day of December, 1999.

CHARLES H. THOMPSON

Secretary

Wisconsin Department of Transportation